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CENTRAL INTELLIGENCE AGENC INFORMATION FROM

FOREIGN DOCUMENTS OR RADIO BROADCASTS

50X1-HUM

COUNTRY

China

DATE OF

1950

SUBJECT

Economic - Trade

INFORMATION

HOW

PUBLISHED

Daily newspapers

DATE DIST. 2/ Sep 1950

WHERE '

PUBLISHED

Mukden; Hong Kong

NO. OF PAGES

PUBLISHED

4 Jul - 23 Aug 1950

SUPPLEMENT TO

LANGUAGE

Chinese

REPORT NO.

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ELECTRONIC DEVICES TOP HONG KONG EXPORTS TO CHINA; NORTHEAST TRADE AGENCIES REVEAL WEAKNESSES

MOST GO TO NORTH CHINA -- Hong Kong Hsing-tao Jih-pac, 23 Aug 50

Statistics reveal that the most important export item shipped from Hong Kong to the Chinese mainland during July was electronic communications instruments and materials. The total value was 4,792,586 Hong Kong dollars. Of this amount, 3,653,668 dollars worth went to North Chica, 65,144 dollars worth to Central China, and 1,274,774 dollars worth to South China.

MINISTRY HOLDS CONFERENCE OF DEPARTMENT CHIEFS -- Mukden Tung-pei Jih-pao, 4 Jul 50

The Northeast Ministry of Trade convered the chiefs of its department to study the commodities distribution system throughout the area. The following defects were discussed:

- 1. The grain crop for last year was underestimated and the government purchasing agencies were unable to absorb all the surplus, leaving much grain in the hands of the farmers until now when the new crop is already well grown. The government trade agencies were unable to dispose properly of their stocks, so they still have large inventories.
- 2. Government pricing policies were not realistic; hence, the prices of grain, cloth, and other commodities were out of line with the market, slowing down still further the flow of goods.
- 3. Several of the special government companies revealed a lack of careful planning. In their distribution of goods they failed to understand the needs of the various areas and sent goods where there was no local demand. This resulted in accumulations of "cold goods," glutting the warehouses.
- 4. Neither the quality nor the price of goods produced by some government industries were suitable, which added to the congestion in the flow of goods.
- 5. Various government companies do not have independent capital, which makes it difficult for them to make rapid turnovers.

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The conference recommended three procedures to help correct the above evils:

- a. Independent capital for each company and a careful budget system of operation. This does not mean, however, that the agencies should not be under a unified system of leadership and planning.
 - b. Set up purchasing and sales goals for all agencies.
- c. All agencies should strive to eliminate the spirit of rugged individualism and develop the spirit of one for all and all for one.

SUNGKIANG TRADE BUREAU REVEALS WEAKNESSES -- Mukden Tung-pei Jih-pao, 11 Jul 50

The Sungkiang Trade Bureau activities for the first half of the year have revealed glaring discrepancies in the bureau's estimates of supply and demand and actual results. On many consumer items, the estimates of likely sales ran far below the demand, while on other items the opposite condition prevailed. Estimates of grain needs with reference to predicted drought conditions also appeared to be quite erroneous. In some areas, there are grain surpluses in the farmers' hands and the farmers are confused as to why the government should urge increased production when they cannot find a market for their present production.

HONG KONG-NORTHEAST TRADE IN DOLDRUMS -- Hong Kong Wen-hui Pao, 12 Jul 50

Hong Kong traders report a falling off in trade between that port and the Northeast. Goods from Hong Kong going to Northeast China include chiefly machinery, metal parts, and gunry bags. Coming out of the Northeast are chiefly soybeans, bean cake, etc., and most of these products pass through Hong Kong only on consignment to foreign countries.

RAIL TRAFFIC REDUCES HONG KONG TRANSIT TRADE --- Hong Kong Wen-hui Pao, 12 Jul 50

The general resumption of rail traffic throughout mainland China has resulted in an almost complete disappearance of transit trade through Hong Kong of Chinese products passing from north to south or vice versa. Practically all products coming to Hong Kong from North China at present are those intended for European trade.



